

Minnesota Forest Resources Council
Minutes
Northland Arboretum, Baxter
May 28, 2014

Members Present: Bob Stine (Chair), Susan Solterman Audette, Greg Bernu, Forrest Boe, Wayne Brandt, Alan Ek, Dale Erickson, Shaun Hamilton, Darla Lenz, Bob Lintelmann, Gene Merriam, Dave Parent, Kathleen Preece, Shawn Perich, Bob Owens, Mary Richards, Mike Trutwin

Members Absent: None

Staff Present: Dave Zumeta, Lindberg Ekola, Calder Hibbard, Rachael Nicoll, Rob Slesak, Clarence Turner

Guests: Rich Baker (MN DNR), Dennis Becker (UMN), Brian Buhr (UMN), Phil Delphey (USDI FWS), Amber Ellering (MN DNR), Lisa Mandell (USDI FWS), Dan Steward (BWSR)

Chair's Remarks

The meeting began with introductions from Bob Stine. Bob yielded his time to Brian Buhr, the recently appointed Dean of the College of Food, Agricultural and Natural Resource Sciences (CFANS) at the University of Minnesota. Brian spoke about his vision for the college. He also spoke about the CFANS challenge of accomplishing both sustainable agricultural production and natural resources management. Brian explained that his purpose for visiting the council is to learn about forestry and forest resources management. He welcomed any Council members to contact him.

Approval of Meeting Minutes*

Wayne Brandt approved, and Gene Merriam seconded, the meeting minutes. *The minutes were unanimously approved.*

Approval of Agenda*

Darla Lenz approved, and Forrest Boe seconded, the meeting agenda. *The agenda was unanimously approved.*

Executive Director Remarks

Dave Zumeta provided an update on the planned publication of the Site-level Forest Management Field Guide. He listed the funding contributions from various entities: \$3,000 each from MFRP, MACLC, MFA, and TPA, plus \$22,000 from DNR and the MFRC (\$34,000 total). Several other entities, including the Blandin Foundation and the University of Minnesota, are being asked to provide additional funding to cover the projected \$47,000 publication cost.

Committee Reports

Personnel and Finance

Bob Stine said that the committee met on May 6. Council members viewed a graphic which depicted the historical decline in the MFRC's general fund allocation. Bob noted that the MFRC budget will be very constrained in the next fiscal year; however, grants and other sources of DNR and other organizational funding will supplement the budget to a small degree.

The committee is currently considering an MFRC budget change level request of \$200,000. The committee will continue to discuss the change level request at a June 30 Personnel and Finance Committee meeting and will provide specific recommendations at the July MFRC meeting. Dave Zumeta noted that MFRC staff will also meet on June 12 for a retreat to discuss the long-term direction of the council.

Forrest Boe and Dave provided information on the change level process. Shaun Hamilton suggested that the council frame any change level request as a "restoration of the budget."

Site-Level

Dave Parent reported that the committee has not met. Dave requested a meeting with the Landscape Committee chair, Shaun Hamilton, and MFRC staff to examine possibilities for integrating data from the two programs.

Landscape Planning/Coordination

Shaun Hamilton reported that the committee met on May 14. The committee discussed the planning process as well as challenges and opportunities that have emerged in the effort to finalize the update of the Northeast Landscape Plan. The committee also discussed implications of the MFRC budget challenges. Lindberg Ekola provided draft meeting minutes.

Information Management Committee

Kathleen Preece reported that the committee met on April 14. She explained that the discussions regarding implementation of the Private Lands Study recommendations and the potential listing of the northern long-eared bat were detailed in the meeting minutes.

Written Communication to the MFRC

Written communications to the MFRC included responses to several letters related to the research priorities identified by the MFRC in 2011 that were sent from Bob Stine. These response letters were provided as handouts. The responses were from DNR Commissioner, Tom Landwehr; MLEP Executive Director, Dave Chura; and USDA Forest Service Northern Research Station staff. Dave Zumeta noted that Dean Buhr received a similar letter as well. Dave will follow up with him. The MFRC is also awaiting a response from new NRRI director, Rolf Weberg.

Committee of the Whole: 2014 legislative session outcomes

Bob Stine introduced Forrest Boe, who discussed the 2014 legislative session. Forrest described support from Governor Dayton's office for the Division of Forestry's legislative initiatives. Reforestation was the top Division priority for bonding in the legislative session and received \$5 million in the Governor's recommended budget. The division was also successful in garnering funds for asset preservation, including \$1 million in bonding for forest roads and bridges. Minnesota Forests for the Future received \$3 million.

A few smaller items of interest to the division included cleanup of statutory language. Gene Merriam asked why the Division of Forestry fared so poorly in the session. Wayne Brandt spoke to a lack of "displayable" outcomes in forest management. Other natural resource management projects tend to attract more attention than forestry. There is also a sense at the legislature that forestry was taken care of in the 2013 session.

Wayne provided an overview of the legislative session from the forest industry's perspective. The sales tax on capital equipment will be eliminated, replacing an existing rebate, as of June 30, 2015. Several taxes were repealed, including business to business taxes and the warehouse sales tax. Provisions for conservation easements that were enacted in 2013 were eliminated for easements that were closed prior to May 23, 2013. Other issues of interest were the extension of biodiesel exemptions for off road logging that were set to sunset next year, the passage of the updated SFRA, and funding for School Trust Lands. A bill of interest that didn't pass was a Great Plains Institute proposal related to production incentives for biofuels.

Brian Buhr spoke about the University's initiatives in the legislative session. The University submitted an LCCMR funding proposal for a Terrestrial Invasive Species Research Center (TISRC). CFANS looks to focus on invasive species more broadly through both the Aquatic Invasive Species (AIS) Center and the TISRC. Interdepartmental collaboration will be an important component of the center's work. The AIS Center has traditionally focused on specific species threats; however, TISRC will identify critical areas of focus through risk analysis. The university will devote a large portion of the funding to provide graduate student training.

Dave Parent asked if the center will focus on species that are "too tough to handle." Brian replied that TISRC risk assessments will evaluate economic impacts of invasives as well as the feasibility of control and eradication of species falling under a wide range of taxa. He added that impacts of and adaptation to climate change will be a major consideration in any risk assessment. In response to Dave Zumeta's question about how the dean envisions the council supporting TISRCs efforts, Brian said that CFANS will work to bring in a variety of partners. Brian also noted that Dave was instrumental to the success of the Center's legislative funding request during the session.

Global competitiveness of the primary forest products industry: update on steering committee's work and discussion

Calder Hibbard provided an update on the steering committee's work. The steering committee and working group identified overarching and contextual issues as well as significant and actionable issues that affect the global competitiveness of the primary forest products industry.

Calder explained that the report will update relevant pieces from the 2003 Governor's Task Force report. He provided examples of possible metrics and analysis. The report will include background information, an evaluation of the effectiveness of various policy tools, and a visioning piece with recommendations. The MFRC will deliver the final report to the DNR Commissioner by December 1, 2014.

Bob Stine noted that some of the steering committee members who are mill managers have reported that their companies would not recommend doing expansions of their plants in Minnesota. Dave Parent asked about the report's focus beyond traditional sawtimber/pulp products. Calder replied that Dick Hemmingsen is involved with the working group to evaluate Minnesota's biochemical, bioproducts and bioenergy potential. Dave Zumeta added that the report will focus strongly on the future. Dale Erickson asked if we can compete with future products if we cannot compete with our current products. Bob Owens noted the need to address our current resources (i.e., overmature aspen) and to assess future opportunities.

Greg Bernu asked about the inclusion of an accomplishment sheet in the report. Calder replied that the steering committee and work group are doing this. Wayne Brandt said that neither present nor future industries want old wood. If we want to preserve the industry we have left and attract new industry, we have to cut at an economic rotation age. Dale added that legislators don't understand that forests need to be managed – we need to raise awareness and understanding. Shawn Perich commented that the story he is hearing is bigger than this room, but he's not sure it is heard by others. Dave Parent commented on the possibility of compiling a report on current technology that can utilize older wood once the competitiveness report is finalized.

Climate-informed Forest Management Forum and Field Day outcomes

Dave Zumeta explained that the Climate-informed Forest Management Forum and Field Day was held May 7-8 at the Cutfoot Sioux Experimental Forest at the Chippewa National Forest (CNF). The purpose of the event was to share information with forest managers on incorporating climate change considerations into forest management decisions. Either the forum, field day or both were attended by 125+ people, including consulting foresters, county, state, and federal foresters, and tribal representatives. It highlighted the outstanding work that is being done on the CNF in terms of integrating USDA Forest Service and University of Minnesota research into management practices. Dave thanked the various financial contributors, and especially the CNF and Sustainable Forestry Education Cooperative staff for their outstanding work on making both the forum and field day highly successful, based on very positive participant reviews.

Greg Bernu added that the event provided information on the management of Minnesota's current resources for climate change adaption and the diversification of species to promote resiliency following a "no regrets" management strategy (i.e., a strategy that makes sense even if climate change impacts on forests are less than anticipated). Rob Slesak had a very positive impression of the event as well, which speaks well of the investment in research by the Chippewa National Forest. Greg added he can apply the outcomes of the industrial scale research to the lands that he manages.

Potential listing of the northern long-eared bat: implications for Minnesota forest management

Forrest Boe introduced a panel of speakers to discuss the potential listing of the northern long-eared bat on the federal Endangered Species List. Speakers included Phil Delphey, Endangered Species Coordinator, Twin Cities Field Office, USDI Fish and Wildlife Service (FWS); Lisa Mandell, Deputy Project Leader, Twin Cities Field Office, USDI FWS; Rich Baker, Endangered Species Coordinator, DNR Division of Ecological and Water Resources; and Amber Ellering, Forest Analyst, DNR Division of Forestry.

Phil Delphey provided an overview of the biology of the northern long-eared bat. The species' range covers about 39 states. The summer roosting period ranges from April 1 through September 30. Small groups of breeding females typically roost in tall, large diameter trees. They use trees with cracks, cavities, peeling bark, and cavities, but there is no clear tree species affinity. Work is currently being done to better understand the bat's life history. Phil also spoke about white-nose syndrome and its devastating effect on North American bats. The disease-causing fungus is present in caves in Minnesota, but white-nose syndrome has not yet been confirmed.

Lisa Mandell provided a description of events that led to the potential federal listing of the northern long-eared bat. The USDI FWS was petitioned to list the bat in January 2010, and the agency proposed the listing in October 2013. A final decision on the potential listing of the bat is expected in October 2014. However, the USDI FWS may extend the decision until April 2015, and the agency anticipates that this extension will occur. Lisa noted that the federal Interim Conference and Planning Guidance (Interim Guidance) document is not mandatory; it is used to inform planning considerations, impacts, and conservation practices. It is currently very general, but work will be done with partners over the next few months to create more specific guidance. The restrictions are effective only upon listing, but the service would like to see preventative measures before then. Lisa described exemptions to "take" of a species under the Endangered Species Act (ESA).

Rich Baker explained that the DNR has committed to coordinate with federally endangered species listing efforts. The DNR supports a federal listing with adequate information, but not designation of critical habitats. The DNR has expressed concern to the USDI FWS about lack of state input and requested federal support for the development of a Habitat Conservation Plan (HCP). Rich also covered plans to conduct research to narrow the restrictions of the proposed listing. Rich has submitted an LCCMR proposal to use similar methodology on a larger scale. It is

estimated that there are up to 10,000 northern long-eared bats in the state. This is a very small percentage of Minnesota's total bat population.

Rich also discussed "bridging strategies," which are proactive options for moderating the effect of a federal listing of the bat. Different states are proposing to form technical teams in addition to these bridging strategies. Rich explained that any approach will require partnerships with other forest resource stakeholders.

Amber Ellering explained that she is working within the DNR Division of Forestry to gather information on altering forest management practices to mitigate impacts to the northern long-eared bat. The division is strategically pursuing information and partnerships within the forestry community to address this issue. Forest managers have extensive experience in operating at the site-level to impact stand structure.

Wayne commented on endangered species poster children (e.g., spotted owl); these species' populations declined due to loss of habitat. This is not the case with the northern long-eared bat; its possible decimation will be the result of a disease. Any restrictions placed on forest managers and loggers will be useless unless something is done about the disease. He asked what the USDI FWS is doing to confront the white-nose syndrome. Phil Delphey responded that the USDI FWS has only been involved on the periphery in the Midwest thus far, but there is a robust effort to tackle the disease in Northeast U.S. He could not speak to the specifics of this work at this time. In Minnesota, monitoring of the white-nose syndrome fungus is occurring in addition to protection strategies at hibernacula sites, where spread of the disease occurs.

Amber asked about people's experience after the proposed rules were created. Darla Lenz replied that what has struck her is the uncertainty surrounding management guidance. However, this is common with newly listed species, and she expects that the FWS will be able to provide more specific, informed guidance with time. Rich added that he believes that current forest management practices will be deemed adequate for conservation by the FWS.

Bob Owens commented that forest partners need to have a full understanding of the research related to white-nose syndrome to truly partner in this effort. Phil noted that almost the entirety of the Arrowhead region is critical habitat for the Canadian lynx, but the FWS evaluates projects and modifies rules to accommodate projects, so ESA listing rarely stops projects. Shawn Perich asked about the potential listing of other bat species. Lisa responded that the FWS will focus on the most vulnerable species first, the northern long-eared bat.

Update on Northeast Landscape Plan revision process and timeline

Shaun Hamilton explained that a vote to approve of the updated Northeast (NE) Landscape Plan is scheduled for the September meeting. Evaluation of the strengths and weaknesses of the planning process will occur at the November MFRC meeting. Lindberg Ekola provided an update on the planning process to Council members to inform their votes in September. Lindberg explained that the NE Plan is very broad in scale and is meant to serve multiple interests. The plan is also voluntary rather than mandatory.

The NE Planning Sub-Committee consists of 17 members (1 tribal, 5 DNR, 1 USDA Forest Service, 1 county, 1 TNC, 1 Sappi, 1 MFI, 1 MLEP, 1 RC&D, 1 Sugarloaf, 1 NRRI, and 2 private landowners), who volunteered to serve on the committee. The Sub-Committee takes a consensus-based approach, but a vote is taken if they cannot reach consensus. Wayne Brandt commented that the DNR should only receive one vote, similar to other entities serving on the Sub-Committee. Lindberg spoke about Policy Development and Plan Context. He also discussed the NE Plan Goal and Objective Framework. Wayne added that not all of the goals have been voted on at this point.

Lindberg covered the Public Review and Plan Approval Schedule. He also provided information on differences between the first generation plan and the updated plan. Shawn Perich requested a progress report on the implementation of the 2003 plan. Lindberg replied that MFRC staff are currently compiling such a document, but the monitoring data is limited and comparison between the plans and ownerships is imperfect.

Public Communications to the MFRC

None.

MFRC Member Comments

Gene Merriam indicated that he would be interested in hearing about county forest certification at a future meeting.

Shawn Perich suggested that the MFRC should invite Leslie McInenly, DNR Big Game Program Coordinator, or another wildlife manager to discuss the deer population.

Wayne Brandt moved, and Dale Erickson seconded adjourning the meeting. *The meeting was adjourned at 2:33 p.m.*